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1 August 1960

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CENTRAL

INTELLIGENCE

BULLETIN



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TOP SECRET

1 AUGUST 1960

I. THE COMMUNIST BLOC

II. ASIA-AFRICA

Congo--Threat of violence remains; Hammarskjold in Leopoldville seeking agreements regarding Katanga and problem of Belgian bases.

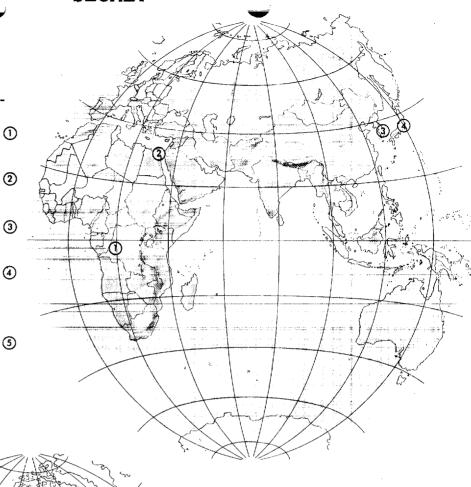
Nasir's anger over Iraq's restrained reaction to Iran's recognition of Israel threatens new UAR-Iraqi crisis.

South Korea--29 July elections likely to be followed by strong factional struggle for premiership and presidency.

Japanese - South Korean relations still marred by difficulties over repatriation question.

III. THE WEST

Dominican Republic--Trujillo facing mounting pressures against his regime.





CENTRAL INTELLIGENCE BULLETIN

1 August 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

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II. ASIA-AFRICA

Republic of the Congo: The threat of violence in the Congo appears not to have ended with the arrival of about 10,000 UN troops. The embassy in Leopoldville characterizes the UN military effort as lacking in direction; in most areas it has yet to bring the Force Publique under control. An organization of the dominant Baluba tribe in Kasai Province has threatened a general strike unless the province is partitioned between the Balubas and their tribal rivals. In Leopoldville, UN Secretary General Hammarskjold continues to seek agreement among the Belgians, the United Nations, and the Katanga government concerning the status of Katanga and of Belgian bases in the Congo.

Hammarskjold has given the Congolese cabinet "some kind of promise" of UN intervention in Katanga

Continuing its effort to pose as Congo's champion, Moscow has announced readiness to provide "extensive" economic and technical assistance and has reiterated its warning that the USSR will "rebuff aggressors...who are trying to strangle the Congo economically."

(Page 1)

UAR-Iraq: A new crisis in Iraqi-UAR relations may develop over the issue of Iran's recognition of Israel. Cairo's violent criticism of the Shah contrasts markedly with the much more restrained reaction in Baghdad.

Iraq's position on the issue as of "primary concern" and claim that Nasir's denunciation of the Shah is embarrassing for Qasim. Nasir probably will exploit Qasim's restraint in an effort to weaken his position within Iraq, and would react in an equally strong manner against any other Arab state which does not follow the UAR's lead in this matter.

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South Korea: The overwhelming victory of Chang Myon's conservative Democratic party in the 29 July parliamentary elections appears likely to be followed by a strong factional struggle for the premiership and presidency, possibly leading to a party split. Anti-Chang factionists may hope to form a government of their own with the support of independents and former Rhee elements. However, the factions may try to avoid an open split by dividing the two highest offices between them. Acting Chief of State Huh Chung has stated that the largely ceremonial post of president will be filled on or before 15 August whether or not a new prime minister has been named by then.

(Page 2)

Japan-Korea: Frictions in Japanese - South Korean relations are expected to continue as a result of Tokyo's unwillingness to meet fully Seoul's demands that an early date be set for terminating the repatriation of Korean residents in Japan to North Korea. The new Ikeda government's first major foreign policy move-an announcement that it desires to accommodate some of Seoul's objections to the repatriation program-has provoked widespread adverse reaction in Japan. Most major newspapers are demanding that the government grant North Korea's request for an unqualified one-year extension of the repatriation agreement, now scheduled to expire in November.

III. THE WEST

Dominican Republic: Mounting pressures on the Trujillo dictatorship include moves by international labor unions to induce a boycott of Dominican ports, a growing uncertainty as to oil supplies, and a general expectation that some form of international sanctions against the regime will be recommended by the OAS foreign ministers' meeting scheduled for 16 August in Costa Rica. The foreign ministers will consider Venezuela's

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DAILY BRIEF

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DAILY BRIEF

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Security Situation in Congo

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| Resolution of the immediate Congo crisis continues to depend on agreement among the Belgians, United Nations officials, and the Katanga government concerning the status of Katanga and of Belgian bases in the Congo. UN Secretary General Hammarskjold reportedly has told the Belgians that the UN will not attempt to force its way into Katanga, but will establish contacts with the Tshombe government there with a view to gaining its consent to the entry of UN forces. The Lumumba government, supported by propaganda from the Soviet bloc, has become critical of the failure of the UN to take steps to occupy Katanga. that Hammarskjold on 30 July gave the Congolese cabinet "some kind of promise" of UN intervention in the Katanga. |
| There are indications, meanwhile, that the threat of violence in the Congo has not ended with the arrival of approximately 10,000 UN troops. An organization of the Baluba tribethe dominant group in Kasai Province-has threatened a general strike if its demand for the partitioning of Kasai between the Balubas and their Lulua rivals is not granted by the Lumumba government. The Baluba ultimatum threatenedfor the first time since independence-a resumption of the tribal warfare which prior to 30 June was kept under control by the Force Publique. |
| The massive exodus of Belgians from the Congo is believed to have thrown at least 150,000 Africans out of work and has brought commerce to a virtual standstill. In Leopoldville, UN patrols have been strengthened as a precaution against violence by the city's estimated 80,000 unemployed Africans. The danger of a severe food shortage appears to have been alleviated for the time being. |
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CONFIDENTIAL

South Korean Election Outcome

spread public expectation that the fall of the Rhee regime marked the beginning of a new era from which great things can be expected. This feeling appears to be particularly strong in the rural areas, where students have been traveling among the people "explaining" the significance of the April revolution. Disappointment could lead to an early revival of widespread frustration and resentment against the government.

Incomplete returns indicate that the Democrats have approximately a two-thirds majority in the 233-seat lower house, independents and minor parties about 43 seats, Liberals about 10, and the new left-of-center Social Masses party about 4. Returns for the upper house are not scheduled to be released until 5 August, but early reports suggest that it will also be controlled by the Democrats.

Acting Chief of State Huh Chung has stated that a president will be inaugurated before 15 August even if the prime minister has not been chosen by then. The presidency, a nonpartisan and largely ceremonial post under the terms of the new constitution, is filled by decision of a joint session of the legislature. Huh, because of his national prestige and lack of party ties, is considered a likely prospect for the post.

SECRET

New Japanes Government Arouses Controversy Over Its Korean Policy

An attempt by Hayato Ikeda's new Japanese Government to improve relations with South Korea by modifying the program for repatriating Korean residents in Japan to North Korea has provoked extensive adverse public reaction in Japan. The government's announcement that it desires to "accommodate as much as possible" South Korea's objections to the program has prompted demands by most major newspapers that Tokyo extend for a year the agreement which expires in November.

Tokyo's announcement presumably will also raise new difficulties with North Korea. The North Korean Red Cross on 23 July called for a simple one-year extension, and implications that Tokyo contemplates anything less are likely to draw strong propaganda reaction in an effort to keep pressure on the Japanese Government. Pyongyang has said the agreement may be renewed by an exchange of cables and has not replied to a Japanese suggestion that both sides meet in Japan to discuss renewal.

Since the program was inaugurated last November, approximately 33,000 Korean residents have been repatriated aboard Soviet ships, and as many as 100,000—one sixth of the Korean population in Japan—may elect to go unless the program is restricted or terminated.

Japan has not yet disclosed publicly that in discussions with South Korea it has indicated a willingness to consider setting a deadline, possibly mid-October, for the registration of repatriates and terminating the program once all registrants had departed. Korean residents subsequently desiring to be repatriated would have to arrange their own travel and financing.

South Korean dissatisfaction with Tokyo's apparent refusal to terminate the entire program by November at the latest has dampened hopes that the Ikeda government and the South Korean government to be formed in August might be able to negotiate a settlement of outstanding differences. It is possible that the Japanese position will induce acting South Korean Chief of State Huh Chung, to revoke his reported acquiescence to the suggestion made by his Foreign Ministry that Japanese fishing vessels which limit their penetration of the Rhee line to 15 miles not be seized.

Situation in the Dominican Republic

The Trujillo dictatorship is under growing pressures, both economic and political. Western hemisphere labor unions, including AFL-CIO, have been seeking a boycott of shipping to and from the Dominican Republic. The International Transport Federation, meeting in a world congress in Bern, passed a resolution on 28 July urging all American governments to break diplomatic relations with Trujillo and impose severe economic sanctions against his regime.

The Dominican Republic already faces oil shortages as a result of Venezuelan pressure on normal petroleum suppliers in the Netherlands West Indies to refuse oil shipments. Alternative sources will be more expensive, and there is some danger that sharp cutbacks in electric power will be necessary. Washington's exclusion of the Dominican Republic from the redistribution of sugar allocations recently withdrawn from Cuba has brought charges of "economic aggression" from Trujillo, but has probably encouraged the domestic opposition.

Some form of multilateral action against the Dominican Government will almost certainly be recommended when the OAS foreign ministers meet to consider Venezuela's charges that the Trujillo dictatorship is guilty of aggression, particularly in connection with the attempted assassination of President Betancourt on 24 June. The OAS meeting now is announced for San Jose, Costa Rica, on 16 August.

Dissidents inside the Dominican Republic are increasing in numbers, and the government is intensifying its police measures. Many dissidents hope OAS action will make any coup effort unnecessary,

a group planning a

"supreme effort" to oust Trujillo within about 30 days.

may

be ready for rebellion, but warns that he could be a witting or unwitting tool of Trujillo.

Trujillo is reported to be still plotting the assassination of President Betancourt,

he may resort to some dramatic act prior to the OAS meeting to confuse those favoring strong multilateral action against him. One unconfirmed report states that planes at a Dominican Air Force base are being painted with Venezuelan markings in preparation for a hoax act of aggression against the Dominican Republic.

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Director, National Aeronautics and Space Administration

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Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

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The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

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Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

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Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

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